IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH.

I.T.R. No.88 of 1997
Date of decision: 02.11.2006

Shri T.B. Mehta, Chandigarh & Ors.

-----Applicants

Vs.

Commissioner of Income Tax, Patiala.

-----Respondent

CORAM:- HON'BLE MR JUSTICE ADARSH KUMAR GOEL
HON'BLE MR JUSTICE RAJESH BINDAL

Present: Dr. N.L. Sharda, Advocate for the revenue.

ORDER:

Following question of law has been referred for opinion of this Court by the Income Tax Appellate Tribunal, Chandigarh Bench, Chandigarh, arising out of its order dated 16.01.1997 in I.T.A. Nos1176, 1177, 1179 and 1180/Chandi/91 in respect of assessment years 1987-88 and 1988-89:-

> "Whether on the facts and in the circumstances of the case, the Tribunal was right in law in disallowing the deduction @ 40% as expenses out of the incentive bonus received by the assessee as Development Officer of Life Insurance Corporation of India?"

We find that the issue stands covered in favour of the revenue and against the assessee by the judgment of this Court in ***B.M. Parmar*** **v.** ***C.I.T.*** (1999) 235 ITR 679. In our recent judgment dated 5.9.2006 in I.T.R. No.15 of 1995 (**The Commissioner of Income Tax, Haryana, Rohtak v. Kamal Kishore Batra DO, LIC, Kalanaur, Rohtak)**, we have answered the question in favour of the revenue and against the assessee.

Accordingly, the question referred is answered in favour of the revenue and against the assessee.

(ADARSH KUMAR GOEL)
JUDGE

November 02, 2006 **(RAJESH BINDAL)**

ashwani

JUDGE